

out, nor as they did during the last war. I myself am to some extent interested in business, and I know of concerns that are about to close up because they are not able to make ends meet. That is an unfortunate state of affairs, but there it is. The firms I have in mind are not bankrupt. They are simply unable to carry on because of the heavy taxes that have been imposed by the federal, provincial and municipal governments. I do not suggest these taxes are unjust; I am merely stating the fact that in some cases they are too great a burden to be borne any longer. I know of businesses in the Maritime Provinces—old, well-established companies—that have carried on for three years with an adverse balance sheet, and the people who manage them are now saying: "We cannot go on in this way any longer. We do not want to discontinue these old businesses, but we must."

No doubt all honourable members will agree there is a limit beyond which yearly losses cannot be allowed to go. As a rule the amount of net profit made by ordinary legitimate business concerns is never large, and, I repeat, war-time activities have not benefited them to any material extent. So a considerable number of such companies, if required to set aside a few cents a week, or even a few cents a month, for every one of their employees, will have no choice but to go out of existence. That fact, and that fact alone, explains why I urge upon this House and the Government that it is undesirable to put any unemployment insurance legislation into effect at the present time.

We have no idea how taxation may be increased at the next session of Parliament. The expenditures Canada is now making for war purposes are enormous, but there is nothing to indicate they may not be doubled. Suppose taxes are increased by even ten or fifteen per cent next year. The only way many companies could meet them would be to discontinue dividends. We know that joint stock and other concerns are operated with a view to making something in excess of their overhead expenses in order to yield some return to the people who have invested their money. If for a number of years a business finds itself unable to pay any dividend, the stockholders become dissatisfied and disgruntled, and ultimately the business collapses.

I say to the House that if at this time we impose a further tax in order to create an unemployment insurance fund, we shall jeopardize the existence not so much of the large companies as of the infinite number of small commercial organizations which, so far as the Maritime Provinces are concerned

—and just now I am speaking for no other section—are the very life-blood of business. We have no very large companies, and probably never shall have any, because we are too far away from the centre of population, but for two centuries and longer many small enterprises have carried on successfully down there. We should all deeply regret additions to the number of concerns we have already lost, and we fear that such would be the disastrous result of any new burden imposed just now, be it large or small. There is no immediate demand for unemployment insurance on the part of the provinces or the people generally, and it does seem to me that if ever there is a time to go slowly before placing a heavier burden on the shoulders of business, that time is now, when we are in the midst of this awful war.

FARMERS' CREDITORS ARRANGEMENT BILL

THIRD READING

The Senate resumed from yesterday the adjourned debate on the amendment of Hon. Mr. Aseltine to the motion for the third reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

Hon. L. McMEANS: Honourable senators, before the honourable leader of the House (Hon. Mr. Dandurand) makes any further statement with regard to this Bill, I desire to raise a point of order. In the form in which it came here from the Commons and was sent by us to a committee, the measure was a simple one, whose sole object was to place Manitoba in the same position as Saskatchewan and Alberta under the Farmers' Creditors Arrangement Act. It was agreed to in the committee and reported to this House, and then the amendment now before us was moved. I am strongly of opinion that this amendment, which would have an important effect upon, not merely the Bill, but the main statute, is out of order.

Why should we attach so far-reaching an amendment to a simple measure like this? We might as well insert a new clause to provide that a man may be sent to jail for certain things having no relation to the purposes of the Bill. This amendment would affect the operation of the law in every province where the law is in force, whereas the Bill is concerned with Manitoba alone.

I want it distinctly understood that I am not opposed to the right of appeal. So far as I am concerned, any number of appeals might be authorized. But, I repeat, in my opinion the amendment is entirely out of order, because it would make a very import-